



RICK SNYDER
GOVERNOR


STATE OF MICHIGAN
DEPARTMENT OF EDUCATION
LANSING

MICHAEL P. FLANAGAN
STATE SUPERINTENDENT

January 22, 2013

MEMORANDUM

TO: State Board of Education

FROM: Michael P. Flanagan, Chairman 

SUBJECT: Approval of Criteria for Formula Distribution of Federal Funds Awarded to Michigan Through Part C of the Individuals with Disabilities Education Act

Part C of the Individuals with Disabilities Education Act (IDEA), in Michigan commonly referred to as *Early On*[®], provides assistance to states for the development of an interagency system of early intervention services to children from birth to three years of age with disabilities or developmental delays and their families. Designated by the Governor as the state lead agency for Part C of IDEA, the Department of Education collaborates with the Departments of Community Health and Human Services to support infants and toddlers with disabilities and their families.

In May 2012, the Michigan Interagency Coordinating Council recommended a new funding formula that provides a more equitable distribution of federal funds to support the coordination and delivery of early intervention services for eligible children and their families. A period of "public participation" as required in federal regulations was held, and the comments received were reviewed and integrated into the proposed change to the distribution of funds.

The proposed 2013 funding formula eliminates peer groupings and instead uses a natural logarithm formula providing a smooth curve (no breakpoints) regardless of the population. The proposed funding formula also addresses adjustments to the distribution of funds to accommodate consolidation in service areas.

It is recommended that the State Board of Education approve the Criteria for Formula Distribution of Federal Funds Awarded to Michigan Through Part C of the Individuals with Disabilities Education Act, as described in the Superintendent's memorandum dated January 22, 2013.

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MICHIGAN STATE BOARD OF EDUCATION

Criteria for Formula Distribution of Federal Funds Awarded to Michigan Through Part C of the Individuals with Disabilities Education Act

The State Board of Education has adopted as its goal "Continue developing an effective and equitable performance-based system that achieves academic growth and successful outcomes for all students."

To the extent possible, all grant criteria and grant awards will serve to further attain the above goal.

PRIORITIES, POLICIES, AND PROGRAMS THAT THESE CRITERIA SUPPORT

The formula allocation grants to intermediate school districts (ISDs) under Part C of the Individuals with Disabilities Education Act (Part C) support the Board's expectation of successful outcomes for all students, as well as the early childhood education and care reform priority by providing high quality early learning opportunities and the early intervention support needed to achieve improved outcomes for infants and toddlers with disabilities and their families. All activities of the *Early On* system address the tenets of universal education and promote early childhood literacy and school/community relationships.

BACKGROUND / PURPOSE OF GRANT

☐ Competitive ☒ Formula ☐ New ☒ Continuation

The formula allocation grants to ISDs facilitate the statutorily-mandated statewide, comprehensive, coordinated, multidisciplinary, family centered, interagency system of early intervention services to eligible infants and toddlers and their families. Each grantee expands and improves existing early intervention services being provided to eligible infants and toddlers and their families through coordination of existing referral and service delivery systems. As a last resort, each grantee will use federal Part C funds for direct early intervention services to eligible infants and toddlers and their families when no resources other than these federal funds are available.

CRITERIA

Date criteria were last approved: October 12, 2010

☐ Defined in Statute ☐ Defined in Department's Approved Grant Application to the Funder ☒ Proposed by Staff

A summary of the 2013 proposed formula is:

- Designates 80 percent of the federal award for distribution to the field.

- Applies a natural logarithm formula that takes population into consideration and utilizes a base amount of 35 percent of designated funds, impacted by an increasing power factor of .5 percent for each year.
- Identifies an amount of the funds for "service need," distributed by factoring a targeted percentage of the overall state and the local service area population of birth through age 2 to the funds designated.
- Requires MDE to report to the Governor-appointed Michigan Interagency Coordinating Council regarding how the first three years of gradual redistribution in funds impacts the field.
- Addresses procedures to reduce negative impact of combined population during consolidation of service areas.

ELIGIBLE APPLICANTS / TARGET POPULATION TO BE SERVED BY GRANT

Eligible applicants are intermediate school districts. Federal statute and regulations require that a statewide system be implemented.

Those eligible for services through this system will include infants and toddlers, age birth to three, who need early intervention services because they are experiencing a developmental delay or have a diagnosed condition that has a high probability of resulting in a developmental delay.

TOTAL FUNDS AVAILABLE

Dependent on Congressional appropriation, the federal funds allocated to Michigan under IDEA vary each year. In the 2012-2013 fiscal year, the total allocation was \$11,956,416, and \$9,565,128 was made available to intermediate school districts.

STATUTE

Part C of the Individuals with Disabilities Education Improvement Act of 2004 (Public Law 108-446).

OFFICE ADMINISTERING GRANT / PROGRAM CONTACT

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